



STAFF REPORT

Meeting Date: January 5, 2015
Agenda Item #: 8a

TO: Mayor and Town Council
FROM: Bonnie Schwerd, Finance Director
THRU: Susan Parker, Town Administrator
TITLE: Street Light request and associated fiscal impacts
ATTACH: Correspondence from Cobblestone Village at Sunset Beach HOA dated 11/19/14

Summary: The Cobblestone Village at Sunset Beach HOA, Inc. has requested that the Town of Sunset Beach assume the operational costs of the subdivision's street lights.

Background: The HOA sent a letter offering the street lights to the Town. The HOA has provided a copy of a Brunswick EMC bill with a monthly electric cost of \$282.67.

Discussion: The Town has customarily taken over this responsibility from developments within the Town's municipal limits, however there is an associated fiscal impact. Through a call to Brunswick EMC, staff confirmed that the street light billing is for eighteen (18) Type 1 street lights and is a flat amount, billed monthly, based upon the type of street lights installed. Type I street lights are basic street lights (not decorative ones) and are generally hung on wooden poles. The annual cost to the Town hereinafter for the electric bills associated with these street lights (at the current monthly rate) would be \$3,392.04.

Fiscal/Policy Implication(s): The Town Council is urged to consider that this would be an ongoing expenditure, not a one-time charge and ongoing revenue sources would need to be identified for this (and similar types of expenditures) if the Council opts to grant such requests. While the Town Council has the option of amending the budget ordinance during the year, it is advisable to include non-emergent expansions of services in the annual budget process so that the Town can appropriately prioritize and plan for expenditures and their associated revenues.

Recommendation: Staff recommendation is that Council defers this request for consideration as a part of the annual budget process.